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2007 MAR -7 A 10: 01

CENTRAL ILLINOIS LIGHT COMPANY,

d/b/a AmerenCILCO,

Petition for special permission to place tariff sheets into  
effect on less than 45 days notice.

Docket No. 07-  
CHIEF CLERK'S OFFICE

07-0172  
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MAR 07 2007

**PETITION FOR SPECIAL PERMISSION**

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Central Illinois Light Company d/b/a AmerenCILCO, concurrently with Central Illinois Public Service Company d/b/a AmerenCIPS and Illinois Power Company d/b/a AmerenIP, (collectively, the "Ameren Illinois Utilities"), hereby petitions the Commission pursuant to 220 ILCS 5/9-201 and 83 IL Admin. Code 255 for special permission to place into effect on less than 45 days notice several tariff provisions that would ease the impact of the Ameren Illinois Utilities' new electric rates on residential, small commercial, certain primary and secondary schools, and certain governmental customers. The tariff revisions consist of:

- 1) A change to Rider Customer Elect Plan ("Rider CEP") to eliminate all interest charges on deferred balances. Rider CEP allows customers to defer for later payment charges in excess of specified average increases. This change would allow customers to do so without interest. AmerenIP and AmerenCIPS are concurrently proposing identical changes.
- 2) Changes to Rider CEP to extend rate caps ,to defer implementation of repayment, and to ensure the 14% step increases are firm for all residential participants. The intent of these changes is to ease the effect of the new rates on Rider CEP participants.
- 3) A new rider, Rider Rate Mitigation Credit ("Rider RMC"), to provide a one-time rate mitigation credit in either the month of March 2007 or April 2007, to all high energy-use

residential customers to assist them with winter electricity bills. The financial benefits to high energy-use residential customers, who primarily are electric space heat customers, would total approximately \$20 million for all three Ameren Illinois Utilities if AmerenIP is able to access the HMAC Cost Fund or trust, as discussed below. If not, benefits would still be in the range of \$10 million for all three Ameren Illinois Utilities.

AmerenCIPS and AmerenIP are concurrently proposing identical riders.

- 4) A change to AmerenIP's Rider Hazardous Materials Adjustment Clause ("Rider HMAC"), which applies to recovery of costs related to claims associated with asbestos materials. The change would allow AmerenIP to withdraw up to \$10 million, with no obligation to be repaid, from the HMAC trust, and apply that to current residential electricity costs. AmerenCILCO and AmerenCIPS do not have comparable riders or trusts. In order to effectuate the additional contribution that will enhance the Rider RMC credit, appropriate amendments may need to be made to the trust. These amendments do not require the approval by the Commission, but Commission approval of this proposal is a pre-condition to the amendment being made. The trustee has already given preliminary approval to the necessary amendments.

The benefits associated with these changes are in addition to the \$15 million total commitment to the low-income utility assistance and in funding for energy efficiency projects that the Ameren Illinois Utilities previously made in their initial Rider CEP filings.

So that customers may receive the benefit of these proposed changes as soon as possible, the Ameren Illinois Utilities request that the Commission grant special permission allowing the Ameren Illinois Utilities to place these changes into in effect on ~~the date shown~~.

Draft tariffs are attached to this Petition.

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In support of this Petition, AmerenCILCO states as follows:

1. The Ameren Illinois Utilities' rates for bundled electric service were frozen during a transition period mandated by the Customer Choice Law of 1997, 220 ILCS 5/16-101, et seq. Under the terms of that law, the rate freeze ended on January 2, 2007.
2. The Commission approved new delivery service and basic generation service tariffs for the Ameren Illinois Utilities establishing rates for bundled electric service on and after January 2, 2007, in Docket Nos. 05-0160 et al. (consol). and Docket Nos. 06-0070 et al. (consol.).
3. The Commission also approved, on December 20, 2006, the Ameren Illinois Utilities' optional deferred billing plan (under Rider CEP) to allow residential, small commercial, certain primary and secondary schools, and certain local governmental customers to phase-in the effect of expected rate increases beginning on January 2, 2007, in ICC Dockets 06-0779 through 06-0781. Additionally, on February 15, 2007, the Commission approved a technical modification to Rider CEP that would facilitate the plan's objectives for the benefit of electric space-heating customers, in ICC Docket Nos. 07-0072 through 07-0074. By approving Rider CEP, the Commission allowed the Ameren Illinois Utilities to put in place a plan for residential customers, small commercial customers, primary and secondary schools and school districts, and certain local governmental units (e.g., municipalities), to mitigate expected rate increases by deferring payment during a three-year transitory period, from 2007-2009.
4. In their filings today, the Ameren Illinois Utilities are asking the Commission to allow them to modify Rider CEP to eliminate all interest charges under the rider in order to further mitigate the increase in rates. This will allow eligible customers to defer qualifying portions of their bills in 2007, 2008 and 2009 for later recovery, without interest. In their filings today, the Ameren Illinois Utilities are asking the Commission to allow them to modify

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certain dates in Rider CEP to ease the effect of the new rates on customers participating in the CEP. Specifically, the Ameren Illinois Utilities are proposing to delay the 2008-2010 Rider CEP rate adjustments and repayments. Under the current Rider CEP, a second 14% step increase is to take effect for usage on and after January 1, 2008. The Ameren Illinois Utilities propose to delay this increase until April 2008. They also propose to delay the third 14% step increase (if required) from January 1, 2009 to April 2009. They further propose to delay any final step to full rates from January 1, 2010 to April 2010. They also propose to modify Rider CEP in order to ensure the 14% step increases are firm for all participating residential customers. Finally, they propose to delay the beginning of deferred balance repayment period from January 2010 to April 2010, extending for 36 months. See Appendix A, Rider CEP.

5. Previously, in their filings related to Rider CEP, the Ameren Illinois Utilities committed to donate \$9 million to low-income utility assistance and to provide \$6 million in funding for energy efficiency projects.

6. The Ameren Illinois Utilities are now proposing to provide additional assistance of approximately \$20 million (the actual customer credit amounts are dependent upon prior actual customer usage as defined in Rider RMC) during this winter season in addition to the other measures they have already proposed or are proposing. This additional assistance would be targeted at residential customers with high winter usage, which, in combination with the new rates, has produced significantly higher electric bills. The assistance would take the form of a one-time credit that would apply to residential customers with usage in excess of 1,250 kWh and will be reflected on bills issued in the first 35 days after Rider RMC takes effect. The credit amounts that are now specified in Rider RMC, attached hereto as Appendix B, are based on an analysis consisting of both actual and estimated usage data for the period from January 1, 2007 to March 31, 2007.

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for illustrative purposes only. The Ameren Illinois Utilities are requesting the Commission grant them the opportunity to finalize the credit values in its RMC compliance filing to take into account more actual customer usage for the winter period in order to design the credit amounts to better approximate the \$20 million. Under no circumstances (excepting use of funds from the HMAC trust) will the final credit values be less than what is being estimated in this filing. AmerenCILCO's Rider RMC reflects the following credit estimates: customers using more than 1,250 kWh would receive a credit of \$5.00 , and in addition to the \$5.00 credit, all usage over 1,500 kWh would receive an additional credit of 6.00 cents/kWh. (In the event the funding from the HMAC trust does not occur, these credits would be reduced approximately by 50%).

7. The credits under Rider RMC (\$20 million) would be funded through a combination of \$10 million from a fund previously set aside by Ameren Corporation and Dynegy Inc. shareholders for AmerenIP customers (HMAC trust), and additional funding from AmerenCILCO and AmerenCIPS. The funds from the HMAC trust would be withdrawn with no obligation of repayment.

8. To allow AmerenIP to fund credits under its Rider HMAC, AmerenIP is requesting that the Commission approve a change to Rider HMAC to allow AmerenIP to withdraw up to \$10 million from the HMAC trust . The specific amount to be withdrawn will be a function of actual credits given AmerenIP residential customers. The HMAC trust was created under Rider HMAC to fund costs associated with clean-up of asbestos materials. As a condition of approval of Ameren Corporation's acquisition of Illinois Power Company, Ameren Corporation and Dynegy Inc. each donated \$10 million to the HMAC trust, which now has a balance slightly in excess of \$21 million. AmerenIP now proposes to withdraw up to \$10 million of those prior contributions to assist high usage residential customers with intent

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electric bills. This will provide an immediate benefit to customers, while leaving the balance for future clean-up costs. Attached hereto is Appendix C showing the required changes to Rider HMAC.

9. If AmerenIP is allowed to withdraw funds from the HMAC trust under the conditions noted, the withdrawals would fund the credits for AmerenIP customers only. AmerenCILCO and AmerenCIPS would fund their own credits through short-term debt. If AmerenIP is not allowed to withdraw funds from the HMAC trust, AmerenIP will also use short-term debt to fund a lower level of credits, and the credits offered by AmerenCILCO and AmerenCIPS will also be reduced.

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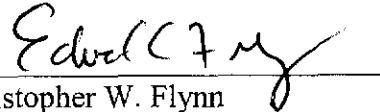
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WHEREFORE, for all the reasons stated herein, the Ameren Illinois Utilities respectfully request that the Commission issue an order as soon as reasonably possible, and allow the tariff changes discussed herein to go into effect immediately, including a finding there is no obligation or requirement that the HMAC trust funds withdrawn be repaid or the trust fund be restored to its current level.

March 7, 2007

Respectfully submitted,

CENTRAL ILLINOIS LIGHT COMPANY  
d/b/a AmerenCILCO

  
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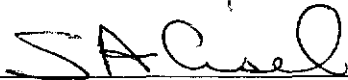
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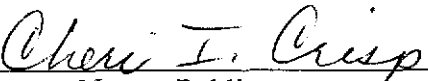
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**Certificate of Verification**

I, Scott Cisel, President, Central Illinois Light Company d/b/a AmerenCILCO, being first duly sworn, states that I have read the foregoing Petition for Special Permission, that I am familiar with the facts stated therein, and that the facts stated therein are true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Scott Cisel

Subscribed to and sworn before me  
this 28<sup>th</sup> day of February, 2007.

  
\_\_\_\_\_  
Notary Public



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